

LFC Requester:	Rachel Mercer-Garcia
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/11/2025 *Check all that apply:*
Bill Number: SB 59 Original Correction
 Amendment Substitute

Sponsor: Sen. Padilla and Rep. E. Chavez **Agency Name and Code** University of New Mexico-952
Short Title: Public Works Minimum Wage Definitions **Number:** _____
Person Writing Lenaya Montoya
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: The Senate Tax, Business and Transportation Committee Substitute for SB 59, amends the Public Works Minimum Wage Act to include a new definition of “site of project” and defines this to mean “the physical location of a public works project as well as any off-site fabrication locations that engage in the fabrication of heating, cooling, ventilation or exhaust duct systems that are part of the public works project”. If enacted, this new definition would apply to requests for proposals, invitations for bid or other procurement for public works projects issued on or after July 1, 2025.

FISCAL IMPLICATIONS

UNM anticipates increased project costs if this bill was to be enacted, but at this time we are unable to determine an actual fiscal amount.

SIGNIFICANT ISSUES

Many HVAC systems and equipment are pre-fabricated out of state and out of county, so SB 59 may put in-state NM fabrication companies at a disadvantage to any out of state or out of country companies, since this law would only apply to New Mexico. State agencies may choose to go out of state to secure HVAC systems and equipment at a lower price. Comparable HVAC units fabricated within the state may rise in cost after the passage of this bill, since prevailing wages would need to be paid to laborers at off-site fabrication locations.

If one of these systems or a piece of equipment is sold to a state agency/UNM would UNM or other state agencies be responsible for ensuring prevailing wages are paid to those workers. UNM is concerned with how we may ensure that NM state prevailing wages are paid to laborers in or out of state, or out of country, who work at off-site fabrication locations.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

As it relates to UNM and any future projects, this would increase project costs and administrative paperwork to track wages provided to the laborers outlined in the Public Works Minimum Wage Act.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL
AMENDMENTS**